

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: April 27, 2010
POSITION: Oppose
SPONSOR: Diabetic Amputation Prevention Foundation

BILL NUMBER: SB 1104
AUTHOR: G. Cedillo

BILL SUMMARY: Health Care Coverage: Diabetes-Related Complications

Under existing law, the Department of Managed Health Care (DMHC) and the Department of Insurance (DOI) are responsible for the licensure and regulation of health care service plans and insurers, respectively.

Existing law requires specified health care service plans contracts and health insurance policies to provide coverage for certain equipment, supplies, preventive training and education, and medications for the treatment of diabetes.

This bill would require health care service plan contracts and health insurance policies to provide coverage for the diagnosis and treatment of diabetes-related complications.

FISCAL SUMMARY

The DMHC and the DOI indicates costs would be minor and absorbable.

COMMENTS

Finance is opposed to this bill for the following reason:

- This bill could conflict with state implementation of national health care reform, which calls for new and revised products and rates to be developed during 2010. As DMHC notes in their analysis, the new federal law requires providers to offer enrollees "essential health benefits". While the federal law is still being reviewed, "essential health benefits" may eventually be determined to include the coverage required by this bill.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP							Fund
	RV	98	FC	2009-2010	FC	2010-2011	FC	2011-2012	Code
2400/MngedHltCare	SO	No	-----	No/Minor Fiscal Impact -----				0933	
0845/Insurance	SO	No	-----	No/Minor Fiscal Impact -----				0217	

<u>Fund Code</u>	<u>Title</u>
0217	Insurance Fund
0933	Managed Care Fund

Analyst/Principal (0761) C. Hill	Date	Program Budget Manager Mark Hill	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

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